

to have cleaned the facility in such time may prevent NFP from delivering pigs as deemed necessary by it. Therefore, in addition to being a condition of default, NFP shall deduct \$ 72 per day from the next monthly payment due to Grower for each day in excess of two days from the end of any grow-out period during which the facility has not been cleaned according to NFP's specifications.

- f. It is understood by the parties that NFP shall provide feed to the facility for growing its pigs. Grower shall be required to promptly order all feed deliveries from NFP no later than 48 hours prior to feeders running empty. Failure to order delivery of feed at least 48 hours prior to feeders running empty shall entitle NFP to deduct \$ 2.00 per loaded mile for each truckload of feed delivered to the facility from the next monthly payment due to Grower.
- g. Grower agrees at all times to comply with NFP's Production Manual dated October, 1992 as may be amended from time to time by NFP, the terms of which are included in Grower's obligations and which are incorporated herein and made a part hereof. Grower, by his execution of this Agreement acknowledges receipt of the manual.

5. RIGHT OF INSPECTION.

NFP shall have the right to enter Grower's premises to inspect the pigs. In all other respects Grower shall not permit visitor traffic or other inspection of the premises without prior written consent of NFP, it being the understanding of the parties that this requirement is intended to ensure disease control with regard to Grower's facility.

6. INDEPENDENT CONTRACTOR STATUS.

- a. It is understood and agreed that neither Grower nor his employees shall be deemed to be employees of NFP and that Grower and/or his employees are independent contractors engaged by NFP to perform services under this Agreement and Grower is not authorized to act as an agent of NFP for any purpose whatsoever.
- b. In connection therewith, both parties agree that they shall indemnify, defend and hold harmless the other and its officers, directors, employees, affiliates, successors and assigns, from and against all claims, liabilities, actions, losses, damages and expenses (including costs and counsel fees) which may be caused by one of the parties or which may arise out of or relate to one of the parties breach of this Agreement. Each party agrees that it will obtain comprehensive liability and such other insurance in a form acceptable to the other for all liability for injuries or property damage which may occur on the premises or on account of breach of this Agreement. Such insurance shall include but not be limited to loss of pigs on account of structural failure of the building or suffocation on account of failure to maintain proper ventilation. By their execution hereof, the parties acknowledge that they have each purchased insurance of the kinds, in amounts and with terms (including co-loss payee and notice of cancellation) that are acceptable to the other.

7. FORCE MAJEURE.

Neither party shall be liable in any respect for failure, delay in fulfillment or performance of this contract if hindered or prevented, directly or indirectly, by (disruption of delivery of pigs caused by trucking strike or work stoppage) fire, flood, storms or other acts of God.